

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 01492 041917Z

17

ACTION TRSE-00

INFO OCT-01 ARA-06 EUR-12 ISO-00 EB-07 /026 W

----- 049453

R 041745Z FEB 76

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 2804

INFO AMEMBASSY LONDON

DIRECTOR OF INTERNATIONAL OPERATIONS IRS WASHDC

LIMITED OFFICIAL USE MEXICO 1492

E. O. 11652: N/A

TAGS: PFOR, UK, CJ, MX

SUBJECT: IRS REPRESENTATION IN CAYMAN ISLANDS

REF: LONDON 1654

1. IRS REPRESENTATIVE GEORGE S. BARNARD, RESIDENT IN MEXICO CITY, AND MENTIONED IN REFTEL HAS DISCUSSED THIS SUBJECT WITH EMBASSY AND PROVIDED INFORMATION WHICH FOLLOWS FOR DEPARTMENT USE IN DISCUSSIONS WITH APPROPRIATE IRS OFFICIALS IN WASHINGTON CONCERNING GUIDANCE REQUESTED REFTEL.

2. MR. BARNARD'S ACTIVITIES AND STATUS IN CAYMAN ISLANDS ARE BASED ON FOLLOWING DOCUMENTS:

A. SECSTATE 268679 OF DECEMBER 7, 1974 REQUESTED LONDON TO SECURE FORMAL ACCREDITATION OF BARNARD TO DEAL WITH U.S. REVENUE MATTERS WHICH MAY ARISE IN THE CAYMAN ISLANDS IN THE FUTURE AND NOTIFY THE DEPARTMENT, INFO MEXICO CITY, WHEN ACCREDITATION HAS BEEN GRANTED.

B. FCO NOT TXTI/304/1(3) OF 17 JANUARY 1975  
"HER MAJESTY'S PRINCIPAL SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS PRESENTS HIS COMPLIMENTS....AND WITH REFERENCE TO MR. MICHAEL M. CONLIN'S NOTE NO. P5 OF 6 JANUARY 1975 ABOUT THE APPOINTMENT OF

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MEXICO 01492 041917Z

MR. GEORGE S. BARNARD AS REVENUE SERVICE

REPRESENTATIVE FOR THE CAYMAN ISLANDS WITH RESIDENCE IN MEXICO CITY, HAS THE HONOUR TO STATE THAT THE APPOINTMENT HAS BEEN NOTED AND THE AUTHORITIES IN THE CAYMAN ISLANDS HAVE BEEN INFORMED.

THE SECRETARY OF STATE AVAILAS HIMSELF...."

C. FCO NOTE TXTI/304/1(3) OF 12 FEBRUARY 1975 TO

"THE HONOURABLE RONALD I. SPIERS ETC ETC ETC....

I HAVE THE HONOUR TO REFER TO YOUR NOTE NO. P5 OF 6 JANUARY 1975 AND TO STATE THAT MR. GEORGE S. BARNARD HAS BEEN RECOGNISED AS REVENUE SERVICE REPRESENTATIVE OF THE UNITED STATES OF AMERICA FOR THE CAYMAN ISLANDS WITH RESIDENCE AT MEXICO CITY. I HAVE THE HONOUR...."

D. LONDON'S DS-4 DATED FEBRUARY 14, 1975 OF PERSONNEL OFFICER ELLEN V. WATSON. "ENCLOSED IS A COPY OF FOREIGN AND COMMONWEALTH OFFICE NOTE NO. TXTI/304/1(3) DATED FEBRUARY 12, 1975 GRANTING FORMAL RECOGNITION TO MR. GEORGE BARNARD AS REVENUE SERVICE REPRESENTATIVE OF THE UNITED STATES OF AMERICA FOR THE CAYMAN ISLANDS WITH RESIDENCE AT MEXICO CITY".

3. MR. BARNARD INDICATES THAT HIS PERSONAL RELATIONS WITH CAYMAN ISLANDS OFFICIALS ARE EXCELLENT AND AGREES THAT HE, PERSONALLY, AS INDICATED REFTEL IS NOT THE OBJECT OF THE GOVERNOR'S CONCERN. IT SEEMS CLEAR TO HIM THAT HIS INVESTIGATIVE ACTIVITIES HAVE DRAWN THE ADVERSE ATTENTION OF INTERESTED PARTIES IN THE CAYMAN ISLANDS WHO WANT NO RPT NO INVESTIGATIONS BY IRS THERE AND WHO WOULD OBJECT TO THE PRESENCE OF ANY IRS AGENT. THE "LIAISON...THROUGH ESTABLISHED DIPLOMATIC CHANNELS, PREFERABLY IN LONDON" PROPOSED IN REFTEL WOULD, IN MR. BARNARD'S OPINION, IN NO WAY EFFECTIVELY REPLACE THE INVESTIGATIVE EFFORTS OF AN IRS AGENT IN THE CAYMAN ISLANDS. SUCH A CHANGE, HE BELIEVES, WOULD UNDOUBTEDLY SERIOUSLY ADVERSELY AFFECT ANY ADMINISTRATION BY THE IRS OF THE CAYMAN ISLANDS TAX HAVEN AND, BASED ON PREVIOUS EXPERIENCE, HE BELIEVES THAT MANY HIGHLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MEXICO 01492 041917Z

USEFUL REPORTS WITH SUBSTANTIAL INCREASE IN U.S. TAX REVENUES WOULD SIMPLY NOT BE FORTHCOMING UNDER THE PROPOSED ARRANGEMENT.

JOVA

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DIPLOMATIC ACCREDITATION, TAX COLLECTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MEXICO01492  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760043-0519  
**From:** MEXICO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760283/aaaacvgx.tel  
**Line Count:** 111  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 LONDON 1654  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 MAY 2004 by ellisoob>; APPROVED <17 MAY 2004 by morefirh>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IRS REPRESENTATION IN CAYMAN ISLANDS  
**TAGS:** PFOR, UK, CJ, MX, IRS, (BARNARD, GEORGE S)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006